Proposed Modifications to the Small Off-Road Engine Emission Credits Regulations

Staff Presentation Air Resources Board November 21, 2008





Outline

- Background
- Proposed Modifications
- Recommendation

Examples of Equipment with Small Off-Road Engines

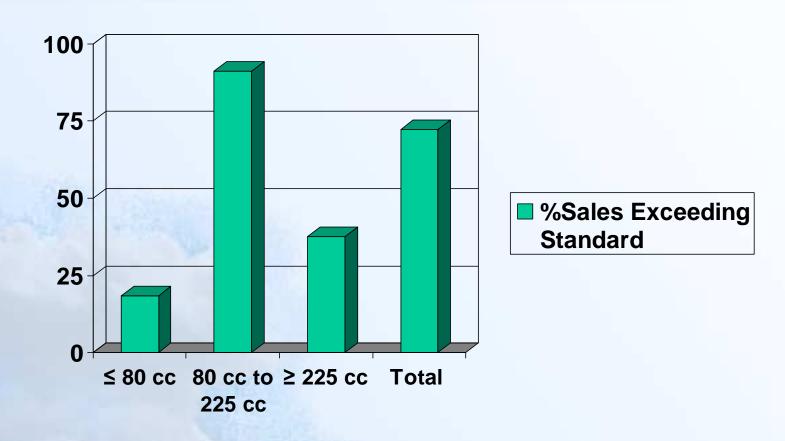




Tier 3 Emission Standards Reduce Emission by ~ 35%

Engine Displacement	Model Year	HC+NOX Reduction from Tier 2 Standards
<u><</u> 80 cc	2005 and subsequent	30%
>80 cc - <225 cc	2007 and subsequent	38%
≥ 225 cc	2008 and subsequent	34%

Most 2008 SORE Model Year Engines Use Credits to Exceed the Tier 3 Emission Standards



Certification and Production Emission Credits

- Intended to incentivize clean technology and provide compliance flexibility
- <u>Certification</u> emission credits derived from the difference between the family emission level (FEL) and the emission standards
- Production emission credits derived from the difference between production line testing results and FEL
 - Unique to SORE regulation

Emission Credits Have Not Functioned as Envisioned

 Credits (certification and production) remain after associated equipment is no longer in service

 Production credits are not verifiable and enforceable reductions

Excessive Emission Credits Pose a Threat to The SIP

- 10,265 tons of HC+NOx credits are banked
- Jeopardize SIP attainment



Proposed Changes Emissions Credits

- Limit certification emission credit lifetime to 5 years (life of equipment)
- Discontinue production credits
- Sunset existing production credits after one year

Proposed Changes Introduce Zero Emission Equipment Credits

- Encourage advanced emission control technology
- Allow only professional level performance
- Allow usage for up to 40% above the emission standard
- Will work with industry to provide more specificity

The Proposal Would Assure The Previously Adopted Tier 3 Benefits Are Achieved

Tier 3 Exhaust Emission Reductions

Year	HC	NOx
STATE OF THE PARTY	(tons/day)	(tons/day)
2010	18.5	3.2
2020	42.0	7.5

Conclusion and Recommendation

Staff's proposal would

- Assure Tier 3 benefit not lost
- Continue to encourage development of cleaner technology
- Continue manufacturer compliance flexibility
- Staff recommends adoption